

HUMAN RESOURCE MANAGEMENT

Basic Approach

The OKI Group has promoted various human resources policies while positioning human resources as one of its most important management resources for adapting to changes in the social environment and for sustainable development. In our Medium-Term Business Plan 2025, “promote measures that enable diverse talent to proactively thrive” is included as a component of “transform into a corporate culture that continually creates value,” one of our Material Issues. We have begun activities to transform our corporate culture, centered on the newly established Organizational Culture Reform Department in fiscal year 2023.

Making the participation and growth of diverse human resources into our company’s strength is the key to achieving innovation acceleration, creation of future businesses, and development of global operations, as well as steering our company toward growth. To enable diverse and sufficient human resources to proactively take on challenges and grow so that individuals and the organization align their goals, we will promote diversity and inclusion, foster a rewarding organizational culture, implement human resources policies to secure, develop, and assign the right people for the right positions, and create a positive work environment.

Creating an Environment for Diverse Human Resources to Proactively Take on Challenges

The OKI Group focuses on well-being to create an environment in which diverse human resources can proactively take on challenges, and is working to promote well-being in the workplace. In fiscal year 2022, we held an internal seminar for the domestic OKI Group on the theme of well-being, which was attended by the President, executives, and many other Group employees. The participation rate of managers, who play a central role in realizing well-being in the workplace, was approximately 92% (figure for only OKI).

In order to further enhance existing activities and proactively

Elements of OKI Well-Being and Major Efforts to Achieve Them



Elements of “OKI Well-Being”	Initiatives
Workplaces offering psychological safety (Workplaces with lively conversation)	Activities to promote interactive communication among employees
Mental and physical health (Healthy body and mind)	Health and safety as well as health management
Fostering of job satisfaction (Engaging in work with excitement and satisfaction)	Initiatives to assign the right people to the right positions as well as to align organizational goals with employees’ autonomous career visions

try new approaches, we established the Organizational Culture Reform Department as a dedicated organization in fiscal year 2023. We are implementing initiatives while defining “OKI Well-Being” as enabling “workplaces offering psychological safety,” “mental and physical health,” and “fostering of job satisfaction.”

With regard to “fostering of job satisfaction,” the goal is to increase the percentage of positive responses* to 70% by fiscal year 2025 for items related to job satisfaction (OKI work engagement) in the awareness survey conducted annually among all Group employees in Japan. The results through fiscal year 2022 are as follows, showing a declining trend. This can be attributed to multiple factors that have caused changes in job satisfaction, including the status of environmental conditions such as remote work in response to the COVID-19 pandemic and changes in work execution processes in the new environment. We aim to achieve our goal by promoting initiatives led by the Organizational Culture Reform Department.

*Positive response: Very much so / more or less so

Results of Awareness Survey of All OKI Group Employees (in Japan)

	Employees who gave a positive response				
	FY2019	FY2020	FY2021	FY2022	FY2025 (target)
The workplace is positive and work is rewarding	60% (68%)	63% (71%)	54% (64%)	53% (62%)	70%

Figures in parentheses represent only OKI

Aiming for a Workplace with Psychological Safety and Conversation

The OKI Group has been developing “Interactive Communication” activities among employees since fiscal year 2018 under the motto “Express yourself, encourage others to express themselves, and listen” to foster an organizational culture with psychological safety in which employees feel secure to express their opinions and ideas, recognize each other, and take on challenges. Targeting communication at all levels, each workplace holds lunch meetings, team conversations, and workshops on workplace issues and concerns.

To promote Interactive Communication in the workplace, we have been working on workshops for department and section heads across the domestic Group since fiscal year 2018, and have conducted these workshops at about 600 workplaces through now. In addition, we conduct annual Interactive Communication Designer Training to train facilitators who promote Interactive Communication. Moreover, we conduct assessments twice a year to confirm that we have workplaces with psychological safety. To further promote organizational culture reform going forward, we will work to improve communication across the organization and foster ownership and followership for the challenges taken on by each employee.

[Vision of the Interactive Communication Activities]

- Employees can freely express their opinions and ideas, understand each other’s perspectives, and align their goals
- Employees think from a broad outlook, cooperate to help each other, and enjoy taking on new challenges
- Employees are recognized, praised, feel job satisfaction, and are more proactive in their work.

Renewing the Personnel Systems to Steer toward Growth

In April 2023, the OKI Group revised its personnel systems for managers for the first time in about 20 years in order to improve organizational performance and create new value. In order to maximize the ability of managers, who play a core role in the Group’s growth, to drive the organization and business as leaders, we will realize the placement of the right personnel in the right positions according to individual aptitudes and career aspirations by establishing a multi-grade system (management/professional/expert) according to the roles that managers play. In conjunction with this, compensation levels have been reviewed for the first time in eight years with an average increase of about 8% (maximum 19%). This is positioned as an up-front investment for driving growth, and we believe it is a necessary investment for securing future human resources and for growth. Furthermore, we have reviewed the evaluation system for managers, encouraging them to change their mindset and challenge themselves to “fulfill their responsibilities” and “focus on results.”

In addition, in order to create a workplace environment in which anyone can demonstrate performance and play an active role regardless of age, we have promoted the appointment of younger employees to management positions and abolished the “retirement age system,” which uniformly dismisses employees from positions such as department head and section head when they reach a certain age. To promote the participation in the workplace of senior employees (employees who have continued to work after retirement age), we are supporting the development of their second careers through the implementation of new mindset training when reaching programs retirement age and enhancing dialogue at career design interviews.

Managerial Positions and Roles under the New Grading System



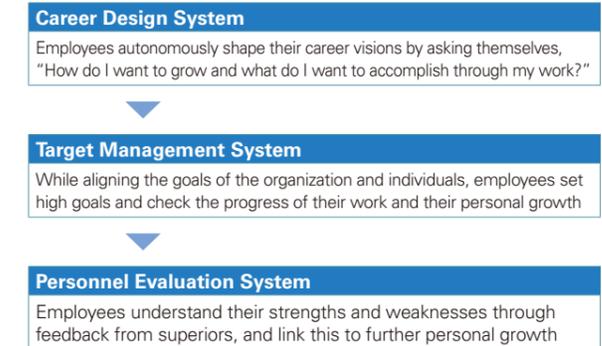
Initiatives for Human Resource Development Human Resource Development and Participation through Work Experience

In order to create a virtuous cycle in which maximizing of employee performance and fostering of employee growth and job satisfaction lead to corporate growth, it is important to have thorough dialogue with each and every employee. The OKI Group utilizes a career design system, a target management system, and a personnel evaluation system so that employees can autonomously form their career visions and take on challenges in their work where the goals of individuals and the organization align. We support employees’ personal

growth by having superiors provide feedback through interviews between superiors and subordinates.

In addition, once a year, we have an award system to recognize the challenges and results achieved by individuals and team/project units on a Group-wide basis, which motivates employees and encourages them to take on challenges to effect change.

Linkage of Major Personnel Systems with Human Resources Development



Development of Human Resources in Line with Our Strategy • Developing Executive Talent

To develop executive talent who will lead the OKI Group in the future, we dispatch them to selective internal training programs and external training programs such as graduate schools of technology management. In fiscal year 2022, we overhauled our internal training program to include lectures and coaching by external instructors and sessions for dialogue with the President and executives on management issues. Through this practical program which lasts about one year, we are developing executive talent.

• Development of Human Resources to Work Globally

To develop human resources who can adapt to differences in language, business practices, and culture, and who can play an active role on the global business, we conduct selective training as well as language training on a voluntary basis. We also dispatch human resources overseas through our overseas training program and overseas studying programs.

Support for Autonomous Learning and Diversification of Experience

The OKI Group has established a training system that includes “common training for business skills,” in which employees learn business skills autonomously regardless of job position or occupation, as well as “specialized and departmental training” to hone their professional expertise. The total training hours per OKI employee in fiscal year 2022 was 22.9 hours.

In addition, in fiscal year 2022, we introduced a secondary job system to increase the diversification of employees’ experience, knowledge, and skills.

Website “Initiatives for Human Resource Development”
<https://www.oki.com/en/sustainability/social/emply/promotion.html>

HUMAN RESOURCE MANAGEMENT

Promoting Participation and Advancement in the Workplace by Diverse Human Resources Promotion of Diversity and Inclusion (D&I)

Promotion of D&I is a management strategy for strengthening human resources. The OKI Group is a place where diverse human resources gather, and by respecting and valuing diversity, we aim to create innovation, increase motivation, and achieve sustainable organizational growth. In order to create a situation in which human resources with various experiences, knowledge, and skills can play an active role, we will acquire external human resources, diversify the experiences of internal human resources, and promote the diversification of attributes such as gender, age, disability, SOGI (Sexual Orientation and Gender Identity), and nationality.

Acquisition of External Human Resources

From the perspective of sustainable growth, the OKI Group is working to increase the number of new graduates (by about 40 employees from fiscal year 2023 compared to the previous year) and mid-career hires to secure human resources for existing businesses and simultaneously to advance hiring of human resources with diverse perspectives and knowledge to create new businesses.

In addition, from fiscal year 2022, we will introduce a system accepting secondary job employees in addition to the aforementioned secondary job system, and promote the acceptance of human resources in strategic fields on a project basis or short-term employment.

OKI Group (Domestic) Number of New Graduate Hires

	FY2021	FY2022	FY2023
Number of new graduate hires	259	240	287

Promoting Women's Participation and Advancement in the Workplace

In order to help incrementally motivate female employees from the early stages of their careers, the OKI Group conducts career training for female employees in their fourth year of employment as well as selective leadership strengthening training. We aim to increase the female management ratio to at least 5% (OKI) by April 2026.

In the future, we aim to achieve an equal female management ratio in proportion to the number of female employees, and will continue to strengthen our initiatives for policies to encourage female employees to play an active role.

Female Executives and Employees and Female Management Ratio

		End of FY2020	End of FY2021	End of FY2022
Number of female executives	OKI	2	1	1
	OKI Group	5	6	5
Female management ratio	OKI	3.3%	3.6%	3.9%
	OKI Group	5.3%	5.1%	5.7%
Percentage of female employees	OKI	13.1%	13.5%	14.0%
	OKI Group	22.9%	23.2%	23.0%

Hiring of Challenged People

The OKI Group hires challenged people with the aim of having challenged employees play an active role in a variety of workplaces without being limited in their job areas or occupations. Our special subsidiary OKI WorkWel employs 83 challenged employees as of June 2023. Among them, 70 with difficulty in commuting work from home in 24 prefectures, utilizing their IT skills for tasks such as building websites. The OKI Group's employment rate for challenged people* in FY2022 (June 2022) was 2.60%.

*Employment rate of challenged people is the aggregate of seven special subsidiary-applied Group companies in Japan.

Website "Initiatives for Diversity and Inclusion"
<https://www.oki.com/en/sustainability/social/emp/ diversity.html>

Initiatives for Personalized Work Styles of Diverse Human Resources Greater Flexibility in Work Location and Hours

Since fiscal year 2020, the OKI Group has been reviewing its systems, promoting the digital transformation of work styles, and reorganizing offices for the purpose of invigorating co-creation with customers and increasing employee collaboration, based on the concept of "derive maximum value out of time and dramatically improve work life quality."

Support for Balancing Work and Private Life

OKI has established various systems to support a balance between work and private life, while labor union and management members confirm working hours and leave utilization.

Main Systems to Support Balancing Work and Private Life

- Flextime (with/without core time) system
- Telework system
- System to provide special work conditions for people caring for children
- System to provide special work conditions for people nursing the elderly
- Special leave for particular purposes system (available for nursing family members, attending children's school events, etc.)
- Shinkansen (bullet train) commuting system

In order to encourage male employees to take leave for childcare purposes and leave of absence for childcare (hereinafter referred to as "childcare leave by men"), OKI introduced the "Baby8 Leave" system in October 2022, which allows employees to take up to 25 days (working days) of paid leave to care for a child within eight weeks after birth. The goal is to enable all employees who wish to take the leave to do so, and to increase the percentage of eligible employees taking the leave to 50% or more each year. Through the development of this system, we



Character to Promote Childcare Leave by Men Baby8-chan
 Designed by an employee of our special subsidiary OKI WorkWel

aim to foster an organizational culture that enables employees to balance work and childcare, regardless of their gender.

[Childcare Leave Utilization Rate]

- FY2022 OKI Group (domestic) childcare leave utilization rate for male employees: 84.9%
- Changes in OKI's childcare leave utilization rate

	FY2020	FY2021	FY2022
Male	50.6%	52.9%	81.7%
Female	100.0%	116.7%	87.5%

Calculated in accordance with the Act on Advancement of Measures to Support Raising Next Generation Children

Initiatives for Sexual Minorities

We have established a consultation counter and an e-learning course for learning basic information throughout the year with the aim of creating a workplace where LGBTQ employees feel respected and able to securely demonstrate their abilities. In fiscal year 2021, 99.9% of OKI Group employees in Japan participated in diversity education (e-learning) on the subject of basic information about sexual minorities. In April 2023, OKI introduced a "partnership system" to treat a relationship between two partners, one or both of whom are sexual minorities, the same as a legal marriage in some in-house systems, including leave and leave of absence.

Initiatives for Occupational Health and Safety, Health Management Occupational Health and Safety Initiatives

The OKI Group positions the creation of a comfortable work environment where employees can work in a safe and healthy manner as an important foundation for its corporate activities. In each region, OKI established "Safety and Health Committees" comprised of management and labor union members to develop safety and health systems. Management and labor union members work together to systematically advance measures for preventing hazards and health problems and promoting the health of employees. The Central Safety and Health Committee meets once a year to evaluate the activities of each region and encour-



Structure for occupational health and safety promotion

age their broader implementation.

In 2022, OKI's incidence rate of occupational accidents*1 was 0.00 (electric machinery/equipment manufacturing industry's average in Japan: 0.53) and severity rate of occupational accidents*2 was 0.00 (electric machinery/equipment manufacturing industry's average in Japan: 0.02). We will continue to promote activities aimed at achieving zero occupational accidents.

*1 Incidence rate of occupational accidents: Number of casualties due to occupational accidents per million man-hours worked, representing the frequency of occupational accidents.

*2 Severity rate of occupational accidents: Total number of lost work-days per thousand man-hours worked, representing the severity of occupational accidents.

Initiatives for Health Management

Recognizing that ensuring the physical and mental health of its employees is essential for company management, the OKI Group has been promoting health management based on the "OKI Group Health Management Declaration" with the aim of enabling each and every employee to fully demonstrate his or her abilities by staying healthy, in both body and mind.

To prevent diseases and promote the health of employees and their families more effectively, the OKI Group conducts health management under a "collaborative health" system in which Group companies, including occupational health staff, and the health insurance associations work together. In addition, based on analysis of data mutually held by the companies and the health insurance associations, the OKI Group has identified priority health issues to be addressed from the three perspectives of "body," "mind," and "awareness" and has set target indicators for promoting health.

In March 2023, OKI was certified as a "2023 Health and Productivity Management Outstanding Organization" in the large enterprise category as a company that takes proactive initiatives for health promotion. This is the seventh consecutive year since 2017 that we have been certified. In addition, in March 2023, OKI was recognized by Japan's Sports Agency as a "Sports Yell Company 2023" as a company that actively promotes sports activities to improve the health of its employees. We will continue to increase the number of employees with exercise habits, leading to the development of both physical and mental health.

OKI Group's Key Indicators for Health Management

OKI Group's priority health issue target indicators	FY2020 results	FY2021 results	FY2022 results	FY2026 target
[Body] Obesity prevention / reduction of obese employees Percentage of obese employees	33.5%	32.9%	32.9%	31.0%
[Mind] Preventing mental health problems Percentage of employees who took stress checks	95.4%	94.7%	94.2%	100.0%
[Awareness] Promoting health awareness that leads to action Exercise habit establishment rate*	20.4%	21.5%	22.7%	30.0%

*Percentage of employees who conduct light-sweating exercise for 30 minutes or more per session, at least two days per week for at least one year

Website "Initiatives for Occupational Health and Safety, Health Management"
https://www.oki.com/en/sustainability/social/emp/health_safety.html